Tribe posts would be taken care of when fresh recruitment is done in future.

Co-operative Bank of India

1295. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have proposed to grant licence to Co-operative Bank of India; and

(b) if so, the time by which it is likely to be set up?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India (RBI) has reported that a society by the name 'National Co-operative Bank of India' has sought a licence to conduct banking business. RBI has further informed that grant of such a licence will require amendment of the Banking Regulation Act.

Industrial Backward Regions

1296. SHRI ANNASAHIB M.K. PATIL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that disparity between backward regions and developing regions has increased manifold and backward regions in many States continue to remain backward inspite of Government's incentives for setting up of industry in backward regions due to lack of proper infrastructure facilities;

(b) if so, whether the Government are considering a fresh package of incentives for backward regions and workout effective and pragmatic strategies for industrialisation of backward regions and removal of imbalance in inter-regional growth; and

(c) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). The Government is aware that because of lack of infrastructure facilities, some regions have remained industrially backward. The Government, therefore, is facilitating promotion of more investment in infrastructure, both in public and private sector. Besides the implementation of the Centrally Sponsored Schemes like the Transport Subsidy Scheme, the Growth Centre Scheme and the Integrated Infrastructural Development Scheme, the Government has recently announced various fresh initiatives for accelerated development of North-Eastern Region, which is one of the most backward regions of the country.

Foreign Direct Investment in Small and Medium Sector

1297. SHRI NAMDEO DIWATHE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are considering a proposal to make foreign direct investment in small and medium sectors attractive and also use this segment of industry for sourcing semi or fully finished goods for international markets;

(b) if so, the details thereof alongwith number of reserved categories and items reserved for small scale sector and extent of dereservation proposed;

(c) the likely impact of the proposed changes; and

(d) the reaction of small scale sector to the proposed dereservation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir. Presently, equity investment in small scale industries by domestic or foreign companies is limited to 24 per cent. On account of investment limits in plant and machinery, extent of foreign direct investment in the small scale sector is negligible.

(b) to (d). Presently, there are 836 products reserved for production in the small scale sector. Large companies, whether domestic or foreign can undertake manufacture of reserved items, only if they undertake an export obligation of a minimum of 75 per cent of annual production. The list of reserved items has remained the same since July, 1989.

12.00 hrs.

PAPERS LAID ON THE TABLE

[English]

Annual Report and Review on the working of Central Pulp and Paper Research Institute, Saharanpur for 1995-96 etc.

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Sir, I beg to lay on the Table.

(1) (i) A copy of the Annual Report (Hindi and English versions) of Central Pulp and Paper Research Institute, Saharanpur, for the year 1995-96, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Central Pulp and Paper Research Institute, Saharanpur, for the year 1995-96.

[Placed in Library See No. LT-662/96]

(2) A copy each of the following papers (Hindi and English versions) :-

(i) Memorandum of Understanding between the Bharat Bhari Udyog Nigam Limited and the Department of Heavy Industry, Ministry of Industry for the year 1996-97.

[Placed in Library See No. LT-663/96]